TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE Transcriber's Office FLOOR DEBATE

April 9, 2001 LB 664

think it's essential, certainly essential, to respond and to There's several misconceptions that are being discuss those. articulated by Senator Bourne and now by Senator Beutler as well, and the first and the biggest is that somehow or other the passage of the bill which would voluntarily allow political subdivisions and agencies of the state government, including schools and state colleges and community colleges, would somehow without question break up or damage or place into peril the education alliance arrangement. Now, it's not fair to call that a pool, and I've heard that referred to as a pool several times in the arguments the other day and again this morning by Senator That is...that is not accurate. That is a group purchasing arrangement that has...that has evolved. understand it, it's been...this particular alliance has been formed two years ago, but certainly the group purchasing arrangement has been there for some time. Not all schools participate in that and I...I'm hearing from some of those schools that they're getting along just fine. Now, I... I would submit to you that if this bill does pass the people involved with the education alliance might want to consider whether or not they want to form a pool. I don't know if they would want to, but they certainly would have that opportunity to do so, and they could have an interlocal agreement between them that would govern the conditions of withdrawal from that pool. There would be all of the oversight of the Department of Insurance that is required by LB 664, which I have the regulations and I have the synopsis of the oversight of the Department of Insurance, which is...which is significant oversight, which would help protect the integrity, the financial stability of the pool if it were formed under this particular bill. Now, I...I'd rather stick with the positive than the negative in terms of this bill, and I think this bill presents opportunities that aren't there now. If the bill is passed, it also creates an incentive for whoever is furnishing insurance to this large of a group to do it in the most efficient and complete way because right now, basically, with regard to many schools, this is the only option they have, albeit a good one, and...and bazically the people that are responsible for the budget, that being the school board, really have no...

PRESIDENT MAURSTAD: One minute.